

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN INQUIRY OF EAST LOGAN WATER)	
DISTRICT REGARDING FREE WATER)	
SERVICE TO COMMISSIONERS AND)	CASE NO. 92-094
MANAGEMENT OF THE DISTRICT)	

O R D E R

On February 11, 1992, East Logan Water District ("East Logan") wrote a letter to the Commission requesting written approval for the commissioners and management of East Logan to receive free water pursuant to KRS 278.170(2). East Logan stated in its letter to the Commission that it had been advised by Commission Staff in December 1990 that, pursuant to KRS 278.170(2), it was authorized to grant free or reduced rate service to its officers, agents or employees.

After reviewing the evidence of record and being advised, the Commission finds that:


1. Employee concession service should not be allowed for public corporations such as water districts and water associations. Such publicly owned utilities have no shareholders to which the foregone revenues can be charged, which can only occur with investor-owned utilities.

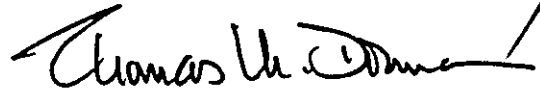
2. East Logan's request for approval for its commissioners and management to receive free water service should be denied.

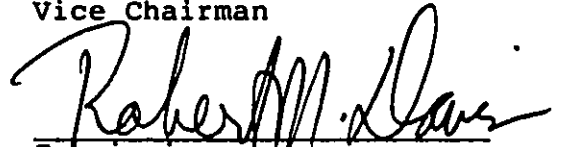
IT IS THEREFORE ORDERED that East Logan's request for approval to provide free water service to its commissioners and management be and it hereby is denied.

Done at Frankfort, Kentucky, this 16th day of March, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director